India (RBI) has finalised the branch expansion policy, for rural and semi-urban areas, for the period 1985—90.

(b) and (c) On the basis of lists of identified centres for opening branches received so far from the State Governments under the-current Branch Licensing Policy for 1985—90, RBI has allotted 4134 eligible centres to commercial banks including Regi-onal Rural Banks (RRBs) for opening branches in jural and semi-urban areas in different States. Of these, 236 centres have been allotted* to banks in Gujarat State.

(d) National Bank for Agriculture and Rural Development (NABAED) has reported that it has not- received any representation from employees of RRBs complaining about likely ad- -verse consequence as a result of current Branch Licensing Policy. Therefore, reviewing the impact of Branch Licensing Policy on the service conditions of the employees of RRBs has not been considered necessary. However, representations are received from time to time from the officers, and employees of the RRBs in regard to various aspects of- the terms and conditions of their service. In this regard, Government have formulated certain guidelines in regard to the service, conditions, recruitment and promotion of the employees of RRBs. Government have taken steps to redress genuine grievances and to provide reasonable promotional avenues to the employees of RRBs.

Branches of Foreign Banks in India

226. SHRI RAOOF VALIULLAH: Will the PRIME MINISTER be plea-sed to state:

(a) whether it is a fact that Government have decided to allow foreign banks to open new; branches in India;

(by what is the number of foreign batiks which are at present functioning in the country and the total number of branches in different cities;

(c) what are the details of their deposits, advances and lending to priority sectors; and

(d) what is the expansion plan of foreign banks in India in the near future and the numbey of banks which have been permitted to open their branches in this country?

THE MINISTER OP STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Permission to foreign banks for opening of branches in India is granted by the Reserve Bank of India (RBI), which is central licencing authority for issue of licences. While granting a licence, RBI keepg in view the principle of reciprocity and the national interest likely to be served by permitting a foreign bank to operate in India. The international status of the bank, the quality of its management, methods of its operation and the benefit that would accrue to the country by. opening of a branch by the foreign banks are some of the other considerations which are kept in view by the RBI.

(b) There are 21 foreign banks in India with 136 branches. The city-wise details of these branches are as follows: —

Bombay	..	45
Calcutta	..	44
New Delhi	..	19
Madras	..	10
Other Cities| Towns	..	18
TOTAL:		136

(c) The deposits and advances of foreign banks functioning in India as on 31-12-1985 as furnished by the RBI is given in the enclosed statement. (See below). The total number of priority sector advances of 19 foreign banks in India as on the last

Friday of December, 1985 were 1554 and the amount of advances was Rs. 9116. 95 lakhs.

(d) No expansion plan for foreign banks in India has been drawn up by Government of India and Reserve Bank of India. During the last three years i. e. 1984, 1985 and 1986,. four foreign banks had opened one branch each in India.

Statement

Deposits and Advances of foreign banks functioning in India as on 31-12-1985

(Rs. in crores)

Name of the Bank	Total Deposits	Total Advances
1. Grindlays Bank Plc	840	515
2. Hongkong and Shanghai Banking Corporation (Hongkong Bank)	377	277
3. Citi Bank N. A.	388	204
4. Standard Chartered Bank	322	231
5. Bank of America NT and SA	167	243
6. American Express Bank	217	182
7. Banque Nationale de Paris	69	50
8. British Bank of the Middle East	72	53
9. Bank of Tokyo	94	77
10. Algemene Bank Nederland	34	23
11. Mitsui Bank	14	11
12. Sonali Bank	6	1
13. Banque Indo-Suez	25	28
14. Deutsche Bank (Asia)	35	35
15. Bank of Oman Ltd.	31	17
16. Abudhabi Commercial Bank	8	8
17. Bank of Credit and Commerce International (Overseas) Ltd.	172	131
18. Bank of Nova Scotia	9	13
19. Societe Generale	24	29
20. Oman International Bank SAO	5	4
21. Bank of Bahrain and Kuwait*	..	..
TOTAL	2907	2130

* Opened in 1986

Tours of the Prime Minister and otherCentral Ministers for ElectionCampaigns in States

227. SHRI SHANKER SINH VAGHELA: Will the Minister of DEFENCE be pleased to state:

(a) what are the steps on which the Prime Miniser and other Central